

STATE OF COLORADO

DIVISION OF HOUSING

Pat Coyle
Director



NSP Developer Fee Disbursement Policy (as of 1/11/2010)

Bill Ritter
Governor

Susan Kirkpatrick
Executive Director

Land Banking

1/3 – Acquisition

2/3 – Closeout of Project Contract, unless grantee demonstrates substantial progress toward redevelopment prior to closeout.

Note: Guidance requested from ICF International regarding necessary backup documentation to constitute the payment of the developer fee within the 18 month timeframe.

Multi-Family

NSP Multifamily Projects

30% - Acquisition

30% - Completion of Rehab

40% - Stabilization of Occupancy (93% occupied for 3 consecutive months)

Colorado Springs/Greccio (Direct HUD Allocation administered by CDOH)

50% - Acquisition

20% - Completion of Rehab

20% - Stabilization of Occupancy (93% occupied for 3 consecutive months)

10% - Project Closeout

Single-Family

30% - Acquisition

30% - Completion of Rehab

40% - Upon sale to income-qualified beneficiary (or upon lease to income-qualified tenant)

Total budgeted developer fee for contract will be divided by the number of units included under NSP contract, and disbursed in percentages incrementally, per milestones above.

Disbursement example:

Project units: 10

TOTAL Project Developer Fee budgeted: \$100,000

TOTAL Developer Fee available per unit: \$10,000

After acquisition of 1 unit, 30% of \$10,000 is eligible for disbursement = \$3,000.

After completion of rehab on same unit, additional 30% is eligible for disbursement = \$3,000.

Upon sale of same unit to qualified buyer, the final 40% is eligible for disbursement = \$4,000.

Total disbursed Developer Fee for 1 unit = \$10,000.

Note: Draw requests for Developer Fee payments should be submitted separately from rehab, acquisition, or other project budget line item draws.